

South Carolina Board of Economic Advisors

Statement of Estimated State Revenue Impact

Date: March 8, 2007

Bill Number: S. B. 488

Author: Ryberg and Anderson

Committee Requesting Impact: Senate Corrections & Penology

Bill Summary

A bill to provide that the State shall forego any commission or other source of revenue derived from the placement of pay telephones in institutions of the Department of Corrections (CORR) and the Department of Juvenile Justice (DJJ) for the use of inmates and to provide that the State Budget and Control Board (B&CB) shall ensure that the telephone rates charged for the use of these pay phones reasonably reflect this foregone state revenue.

REVENUE IMPACT ^{1/}

This bill is expected to reduce Departmental Revenues within the General Fund by \$1,400,000 in FY 2007-08, if Section 72.41 of Part 1B is deleted from the State Budget.

Explanation

This bill foregoes any commission or income for the placement of pay phones for use of inmates in an institution under administration of CORR or DJJ, effective July 1, 2007. Such phone income now goes to the state General Fund.

Based on information provided by staff of the Chief Information Officer, total pay phone revenue of \$1,400,000 is expected from these two agencies in FY 2007-08. Because temporary provisions in the State Budget supersede permanent law, this bill would have no impact on General Fund revenue in FY 2007-08 unless Part 1B, Section 72.41 of House Bill 3620 of 2007 is deleted. If this proviso is deleted, adoption of the bill would reduce Departmental Revenue within the General Fund by \$1,400,000 in FY 2007-08.

Analyst: Di Biase

/s/ William C. Gillespie
William C. Gillespie, Ph.D.
Chief Economist

^{1/} This statement meets revenue impact requirements of Section 2-7-71 for a state impact by BEA, Section 2-7-76 for a local impact or Section 6-1-85(B) for an estimate of the shift in local property tax incidence by Office of Economic Research (OER).